



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
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Press Release

FOR IMMEDIATE RELEASE

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Texas-based Debt Settlement Company, Able Debt Settlement, is Enjoined from Doing Business In West Virginia

Able Debt Settlement, Inc., of Irving, Texas, was stopped from doing any business in West Virginia by the Circuit Court of Kanawha County as of May 14, 2009.

Attorney General Darrell McGraw sued Able Debt Settlement last month, seeking injunctive relief and restitution for consumers who paid for debt settlement services they never received. Able, formerly of Dallas, Texas, claims to settle consumers' debts for less than 50 cents on the dollar. Able charges consumers thousands of dollars for its services, but makes no effort to settle consumers' debts and then refuses to refund their money. Instead of having their debt paid off, consumers are left with ruined credit and unpaid bills.

Debt settlement companies claim to negotiate with consumers' creditors to repay outstanding debts, at a deep discount. Consumers are instructed to stop paying their creditors and to make monthly payments to the debt settlement companies instead. The premise behind debt settlement is that creditors will eventually be willing to settle outstanding debt for pennies on the dollar.

With this injunction, Able is prevented from conducting any business in West Virginia, including any manner of debt settlement. Judge Irene C. Berger further ordered Able to contact its customers in West Virginia and advise them Able was prevented from operating in West Virginia. Finally, Judge Berger ordered Able to post a notice on its Internet website that its debt settlement services are not available in West Virginia.

McGraw's consumer protection division started an investigation of Able in 2007 and previously obtained a temporary injunction against the company when it refused to comply with the investigation. Able tried to stop McGraw by, twice, asking the West Virginia Supreme Court to intervene. The Court refused Able Debt Settlement's petitions, allowing McGraw to continue the investigation.

"Debt settlement companies that promise to negotiate debts on behalf of consumers and fail to provide any services will not be allowed to operate in West Virginia," said Attorney General McGraw. "Consumers who need assistance with paying their bills should either consult an attorney or seek the services of a non-profit credit counseling agency," he said.

Anyone wishing to file a complaint against Able Debt Settlement may do so by calling the Consumer Protection Hotline at 1-800-368-8808 or by obtaining a complaint form from the Consumer web page at www.wvago.gov.

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